

SELECT BOARD

Fiscal Year 2005

Every year the Select Board report begins with a comment that the year was one of challenges, hard work, and progress. The year of 2005 was no exception and it was marked with some major transitions that will affect the Town for many years.

This was the year when the second vote on the proposed Mayor-Council Charter was held. Citizens gathered enough signatures on a petition to have a re-vote, allowed by state law, on the Charter question previously defeated by a tiny margin in the Annual Election of 2003. There was considerable controversy around the Select Board decision on mailing of materials. In original Charter votes, state law requires that the report of the majority and minority members of a Charter Commission be included in the mailing of the actual proposed Charter. State law is silent on mailing requirements for second votes on a Charter proposal. The Select Board chose to mail the proposed Charter from the 2003 Charter Commission Report and a copy of the Amherst Town Government Act, with a cover letter advising voters of the upcoming election and of the need to review the current document as well as the proposed document. A citizens group went to court to force us to include the entire report of the Charter Commission, including comments; the judge found that we were within our rights in interpreting the law to allow only the legal language. The mailing went out; a vigorous campaign went on from both sides of the issue, with special forums held in each elementary school, the Middle School, and the High School, and other locations in town. The proposed Charter was defeated 2,953 to 2,701, a difference of 252 votes.

The Charter issue was divisive for the community and held up some policy work and progress on issues as groups tended to polarize around **any** issue, based on their position on the proposed Charter.

Two new Select Board members joined the Board following the Annual Town Election: Rob Kusner and Hwei-Ling Greeney. Dr. Kusner is a math professor with extensive experience on several Town boards and committees. Ms. Greeney works for a public school program and a non-profit basic needs program to provide essential services to people in the community. With their presence on the Board, the entire Select Board has turned over in the last five years. These same five members have received the greatest numbers of votes for this office in all of recorded history of Town elections. Anne Awad was re-elected Chair when the Board re-organized following the Town Election. Robie Hubley was re-elected Vice-Chair and Gerry Weiss was re-elected Clerk. Ms. Awad stated her continuing commitment to opening the Board process to all members and to the community so the function of the Select Board would be transparent to community residents. Currently, Mr. Hubley organizes “three-somes,” weekly meetings with the Vice-Chair and a member of the Select Board with the Town Manager to discuss in depth issues that will come before the Board. This helps to identify needs for background research or additional information and prepares the Board for fruitful discussion. Ms. Awad implemented a policy under which any member of the Select Board can put an item on the upcoming Select Board meeting agenda (previously the Chair alone shaped the agenda).

The year was dominated by fiscal worries, in spite of the 2-million dollar override approved by voters in the Annual Election of 2004. In the summer, the Town received special state aid in the amount of \$817,000 and there was disagreement among the Select Board members as to what to recommend to Town Meeting. Some members felt we should apply all of it to the structural

deficit, to reduce the amount we removed from reserves for the FY 05 budget. Others felt we should apply the entire amount to the General Fund, to reduce the impact of the override on taxpayers. A compromise led to Fall Town Meeting approving an amount sufficient to cover cost-of-living increases for Town and library staff, with the balance being applied to reduce the tax rate, thus transitioning the impact of the override on individual taxpayers.

Immediately following Fall Town Meeting, we began the budget development process. The Town Manager presented a budget, working from guidelines provided by the Finance Committee and working closely with the Select Board on Town priorities. The Select Board, knowing that the Town faced a very lean fiscal year in fiscal year 2006, invited the Finance Committee to co-sponsor a Finance Forum in April, prior to the start of Town Meeting. This was well attended by Town Meeting members and residents.

The budget review process, which leads to recommendations from the Select Board to Town Meeting, was discouraging because department heads have had several years of lean finances, and they came before the Select Board with lists of programmatic and staffing needs. We ended Town Meeting in late June with a painfully balanced budget that required cuts in the school budget, cuts in most needs requested in all budgets, and the withdrawal of \$1.7 million in reserves, leaving us with \$4.4 million in reserves. Investment advisers warned us that our reserves were low and Moody's considered lowering our bond rating, which would have serious impact on our ability to borrow money as interest rates would increase. We face next year with some trepidation as our reserves are shrinking and we are carrying forward a structural deficit. We decided to develop task forces or use forums to revise the budget preparation process and recommended that the Select Board and Finance Committee consider constitutional changes to clarify the relationship in the Amherst Town Government Act between Select Board and the Finance Committee roles in that budget preparation. We decided to explore having departments prepare level budgets and separate wish-lists (needs) which the Town Manager would organize into a general Town budget. The Select Board would order hearings on that budget, asking for testimony from Town employees on budget matters of concern – whether to increase, decrease, add, delete, or reorganize the Town Manager's budget.

Complicating our budget process this year was the discovery of a very serious situation in the health insurance fund, which saw a precipitous drop in fund balance from a high of over \$2 million in 2003 to a near deficit position by March 2005, due to several years of inadequate premium levels. Town boards and committees grappled to present a balanced budget to Town Meeting because cuts were required to address the \$1.5 million draw-down of the health insurance fund. We received a report from a consultant who made a number of recommendations to rein in the spiraling costs and who noted that premiums had been held artificially low over the past several years. Premiums are set by the Town Manager. We are reviewing the process of ongoing management of the Town's health insurance fund and note that the year closed with a post-Town Meeting deficit of \$705,000 through June 30, 2005. This information and its impact on the FY 06 budget will have to be dealt with by Fall Town Meeting.

In this climate, the Town Manager was negotiating with all unions for three-year contracts retroactive to July 1, 2004. The contracts will have to include increased health insurance premiums and will have pay increases that will need to be factored into budgets for upcoming years.

The Select Board oversaw a number of projects. After public hearings, a downtown sidewalk plan was approved. The sidewalk project was launched with a new pedestrian walkway, Pleasant Way, constructed to link the Boltwood garage area directly with North Pleasant Street. A new sidewalk was installed from the Bangs Center, past Ann Whalen Apartments, to Kellogg Avenue, and a new crosswalk leads from Boltwood Walk across Kellogg Avenue to provide a safer walking route to access the downtown post office and North Pleasant Street. Heading into the summer will see the installation of the new sidewalk with the approved design from Kellogg Avenue to the Main Street intersection with North Pleasant Street. Unfortunately, part of the work entails ripping up substandard brickwork done recently by the state at Main and North Pleasant Streets.

A major street resurfacing project was approved by the Select Board, including South East Street to the South Amherst Common, Pelham Road from East Street to the Fort River Bridge, and Summer Street with the work slated to occur in the summer. Much sewer, sidewalk, and wiring work accompanies the street resurfacing work.

We celebrated the continuing success of the state's Agricultural Preservation Restriction (APR) program in our town. Two APRs were approved by the state. In July 2004, many Select Board members attended the Hess Farm APR celebration and enjoyed tours of the farm land. In May 2005, we were notified that the Hart/Murphy APR for a 42-acre farm on Northeast Street was approved. Later in the year we supported the application for an APR on the 38+ acre Djiekienowski farm with frontage on North Pleasant Street and Pine Streets. A group in North Amherst hopes to make it into a CSA (Community Supported Agriculture) farm. There was some controversy regarding this project as the schools and other groups expressed an interest in the land. The seller, however, made clear that the intention was to sell to someone who would continue to farm the land.

Mr. Robie Hubley represented the Select Board at a gathering to celebrate the first anniversary of the Same Sex Marriage Act with couples who applied to marry during the first year. Resident Vincent O'Connor worked with the Human Rights Commission to prepare a bound book that included the Massachusetts Supreme Judicial Court opinion which established the right to marry for all. This was presented to all couples.

We supported the Town Manager's appointment of John Musante, Finance Director, and David Ziomek, Conservation Director. Both of these individuals are outstanding in their field and the Town is proud to recruit them into service.

The Select Board acted to minimize the ongoing loss of public transportation resulting from state cutbacks by:

- recommending to Fall Town Meeting that we restore afternoon outreach bus service and receiving solid support from Town Meeting
- recommending to Town Meeting that we begin to use the Transportation Enterprise Fund to provide some support to local public transportation
- implementing a more rational parking fee and fine structure to support the Transportation Enterprise Fund and to contribute revenues to the General Fund.

The Select Board is reviewing appointment policy and support to Town boards and committees. We want to encourage people of all ages, backgrounds, gender, race, expertise, and interest to participate in Amherst Town government. We seek to improve the representation of all residents

on these important parts of our self-governance by advertising opportunities to serve, by outreach to under-represented groups to encourage participation, and by improved communication between committees and the Select Board.

This Select Board is collectively proud to have worked hard to preserve the institutions of Town Meeting and Select Board that have served this community well since its founding two and a half centuries ago. We have come through a challenging year and the interplay of decision-making on the budget and other issues prove that the structure works well to engage many residents in governance and to inform citizens of how decisions are made that affect their lives here. We anticipate lingering tensions from the Charter challenge and recognize the impetus it brought for review of habits and procedures that need to be updated for best performance.

Anne Awad, Chair
Robie Hubley, Vice-Chair
Gerry Weiss, Clerk
Hwei-Ling Greeney
Rob Kusner